GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:1576
ANSWERED ON:14.03.2005
PRICES OF CANCER DRUGS
Gadhavi Shri Pushpdan Shambhudan

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether prices of cancer drugs in the country are exorbitant and beyond the reach of common man;

(b) if so, the details and the reasons therefor;

(c) whether Supreme Court Bench had issued notices to the Union Government against exorbitant prices fixation of a widely used cancer drugs produced by Novartis AG; and

(d) if so, the action taken by the Government on the notices issued by the Supreme Court?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN):

(a) and (b) The Drugs (Prices Control) Order, 1995 (DPCO, 1995) was promulgated by the Government vide S.O. 18 (E) dated 6.1.1995. The 74 bulk drugs specified in its First Schedule and the formulations based thereon are under price control and their prices are fixed/ revised by the National Pharmaceutical Pricing Authority (NPPA) in accordance with the provisions of the DPCO, 1995. These drugs have been identified for inclusion under price control in the DPCO, 95, on the basis of criteria mentioned in the Modifications in Drug Policy, 1986, announced in September, 1994. These criteria take into account the extent of usage and the market competition of various drugs. None of the 74 bulk drugs specified in the First Schedule of DPCO, 95 is an anti-cancer drug.

Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view the various factors like cost of production, marketing/selling expenses, R&D expenses, trade commission, market competition product innovation, product quality etc. The Government takes corrective measures when the public interest is found to be adversely affected.

(c) and (d) The Cancer Patients Aid Association and another has filed a Public Interest Litigation (PIL) in the Supreme Court of India in Writ Petitions (PIL) No. 340/ 04 against Union of India and others. The petitioners have challenged the grant of Exclusive Marketing Rights (EMRs) to M/s. Novartis (one of the respondents) in respect of anti-cancer drug viz., Glivec 100 mg containing Imatinib Mesylate, a non-scheduled formulation. The case is before the Supreme Court.